

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

<p>IN RE:</p> <p>U.S. CELLULAR CORP., COX IOWA TELCOM LLC, AND ILLUMINET, INC.,</p> <p style="text-align: center;">Complainants,</p> <p style="text-align: center;">vs.</p> <p>QWEST CORPORATION,</p> <p style="text-align: center;">Respondent.</p>	<p>DOCKET NO. FCU-03-24</p>
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**ORDER DISMISSING COMPLAINT
AND CLOSING DOCKET**

(Issued January 21, 2005)

On March 27, 2003, U.S. Cellular Corp. (USCC), Cox Iowa Telcom, LLC (Cox), and Illuminet, Inc. (Illuminet), (collectively, Complainants) filed a formal complaint against Qwest Corporation (Qwest). The Complainants stated that on April 9, 2001, Qwest filed proposed amendments to its access tariff¹ reducing its local switched access rate and adding additional rate elements for Common Channel Signaling, including Signaling System No. 7 (SS7) messages. The Complainants alleged notice of the change was not provided at the time of its filing. Qwest's proposed tariff filed in Docket No. TF-01-111 subsequently went into effect. The complaint was identified by the Utilities Board (Board) as Docket No. FCU-03-24.

¹ Docket No. TF-01-111.

USCC and Cox both use Illuminet to transport their SS7 signaling messages to Qwest. Illuminet is a third-party non-common carrier provider of SS7 service to over 900 telecommunications carriers across the country. Illuminet serves no end-users, it does not carry any end-user traffic of its own or of its carrier customers, and it does not initiate any of the intrastate SS7 signaling messages, which were the subject of the complaint. Carriers such as USCC and Cox can either establish their own SS7 networks or use third-party SS7 providers, such as Illuminet.

According to the complaint, after the tariff change, Qwest began charging Illuminet for SS7 signaling messages that were generated by USCC and Cox, but were transported over Illuminet's SS7 network. Complainants argued this had the effect of inappropriately charging USCC and Cox for SS7 call setup messages associated with non-access calls. The Complainants argued this was improper, because the terms of the interconnection agreements between USCC and Qwest and between Cox and Qwest, rather than the access tariff, should apply to SS7 call setup messages associated with non-access traffic exchanged between the parties.

The Complainants requested the Board docket the complaint to determine the lawfulness of the rates approved in Docket No. TF-01-111. Additionally, the Complainants asked the Board to determine that since SS7 messaging is an integral component of end-user traffic, the terms and conditions within the interconnection agreements should govern when and how SS7 messaging charges are assessed. Finally, the Complainants requested the Board order refunds and credits of any

monies paid to, or charged by, Qwest for SS7 messaging pursuant to the tariff approved in Docket No. TF-01-111.²

On July 11, 2003, the Board issued an "Order Docketing Tariff and Complaint and Ordering Filing Be Made" in Docket Nos. TF-03-201 and FCU-03-24. The order required Complainants and Qwest to file a report by August 11, 2003, defining all outstanding issues to be determined by the Board.

In separate filings of August 11, 2003, Qwest and Complainants essentially agreed that the outstanding issue was whether Qwest owed Complainants refunds or credits for intrastate SS7 message services previously provided. In a joint filing on August 21, 2003, the parties requested the case be stayed until October 1, 2003, to allow time to determine whether settlement of the case is possible. The parties indicated they were attempting to develop a regionwide settlement of the issues in the case. In requesting the temporary stay, the parties noted that additional extensions of time might be requested and no party was waiving any issue or admitting any liability or responsibility by entering into settlement negotiations. The Board reviewed the motions and granted them.

On February 3, 2004, Cox filed a motion to withdraw from the complaint. In its motion, Cox indicated that U.S. Cellular and Illuminet were not included in the motion to withdraw. The Board granted Cox's request to withdraw and ordered the remaining parties to file a supplemental status report. The Board also notified the parties that it intended to establish a procedural schedule unless a compelling reason

² On June 13, 2003, Qwest filed proposed modifications to its SS7 message charges in its Iowa intrastate access tariff. The proposed tariff was identified by the Board as Docket No. TF-03-201.

for a further stay was presented. On August 5, 2004, after reviewing the supplemental status report, the Board issued an order setting a procedural schedule.

On October 12, 2004, the parties filed a joint motion for another temporary stay of this proceeding to provide the parties with time to finalize a settlement. In that joint motion, the parties agreed to provide the Board with monthly status reports concerning the continuing efforts of the parties to reach a written settlement.

On November 15, 2004, the parties filed a "Joint Status Report" indicating that the parties had reached an agreement in principle on economic terms for settlement of this proceeding. According to the joint status report, the settlement being finalized by the parties involved over 60 companies in eight states.

On December 14, 2004, the "Joint Status Report" filed by the parties indicated the parties had negotiated a draft agreement for all terms, including the non-economic terms, and that settlement agreements were then circulating for comment and signatures among the parties and non-parties who are affected by the settlement.

On January 4, 2005, a "Stipulation of Dismissal With Prejudice" was filed by all of the parties. According to the filing, [T]he parties hereby stipulate that the settlement agreement executed between the parties resolves the matter and that this action shall be and hereby is dismissed with prejudice, each party to bear its own costs and attorney's fees."

After reviewing the stipulation of dismissal filed by all the parties, the Board will dismiss the complaint and close this docket.

IT IS THEREFORE ORDERED:

1. The Complaint filed on March 27, 2003, is dismissed.
2. Docket No. FCU-03-24 is closed.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Sharon Mayer
Executive Secretary, Assistant to

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 21st day of January, 2005.